ON 7/5/2019

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I. INTRODUCTION

Plaintiff Six4Three, LLC ("Six4Three"), its principal Ted Kramer, and its legal team, violated a fundamental tenet of civil discovery by orchestrating the public disclosure of highly confidential information produced by Facebook in discovery under a good-faith belief that, like all civil litigants in this country and the state of California, the opposing party would respect the protective order entered by the Court. In the now months-long shadow of their admitted betrayal of that basic principle of civil litigation, Six4Three further abused the process by delaying any investigation and remedial action based on its unrepresented status, and now, when time to get new counsel is up, to avoid having to answer to the Judge whose orders it violated.

Six4Three and its lawyers were caught orchestrating one of the largest and most damaging violation of a protective order in history. They developed a plan that required repeated violations of the Protective Order in this case and the subsequent orders intended to enforce the Protective Order. They executed that plan. The result is staggering: Facebook's highly confidential information—which Facebook produced based on the premise that the Court would be able to enforce its orders if they were not followed—is spread around the world.

Ever since they were caught, however, Six4Three and its lawyers have executed a second plan: Halt the progress of this case so that no discovery occurs so that no one ever knows the scope of their violations of this Court's orders. They have had no more regard for the Court after the breach of the Protective Order than they did before. The result is no less staggering: More than half a year after the breach, no discovery has occurred. Six4Three and its counsel have come up with excuse after excuse in order to halt discovery. As a result, the party and counsel least respectful of the orders in this case have been controlling the pace of the case.

Most recently, Macdonald Fernandez LLP's ("Macdonald Fernandez") peremptory challenge is untimely and otherwise unauthorized by Civil Procedure Code section 170.6. Section 170.6 does not allow a party to gain an unlimited extension to file a peremptory strike by replacing their lawyer. In cases with an all-purpose judicial assignment like this one, parties have 15 days to strike a judge. For Six4Three, that deadline passed eighteen months ago.

The analysis should stop there. But Macdonald Fernandez's challenge suffers from other fatal deficiencies. Macdonald Fernandez's representation of Six4Three is "strictly limited" to defending against a motion for sanctions. No such motion has been filed, and so there is no apparent scope to Macdonald Fernandez's representation of Six4Three. Thus, at present, the law firm lacks standing to bring this peremptory challenge. In addition, the Declaration of Reno F.R. Fernandez III claims that the judge assigned to this case is prejudiced against *either* Six4Three *or* Mr. Fernandez. But there is no dispute that any peremptory challenge filed by Six4Three would be untimely. Even if section 170.6 permitted Mr. Fernandez to challenge the judge that has been overseeing this litigation for a year and a half—it does not—Mr. Fernandez must clarify that he believes that the judge is prejudiced as to him, and not Six4Three alone.

Macdonald Fernandez's peremptory challenge should be denied.

II. FACTUAL BACKGROUND

Six4Three's lawsuit is now well into its fourth year. The case has seen multiple rounds of demurrers that limited Six4Three's far-ranging claims, a ruling that Six4Three spoliated evidence and so can claim only \$412 in total revenue over its nearly 3-year existence, and a successful motion for summary adjudication limiting remedies based on the parties' agreed limitation of liability. The Honorable V. Raymond Swope has been singly assigned to this litigation for all purposes since January 29, 2018. *See generally* Order Reassigning Judge for All Purposes (Jan. 29, 2018).

Without belaboring history that this Court lived, in the fall of 2018, Mr. Kramer made contact with a member of the United Kingdom Parliament, encouraging him to send a formal request to Mr. Kramer for the confidential and highly confidential information that Facebook produced in this litigation. Mr. Kramer then traveled to London with Facebook's documents, where he turned them over to the member of Parliament, in direct violation of multiple orders of this Court.

Following this improper disclosure, Six4Three's counsel sought to withdraw, citing an unwaivable conflict. The Court granted the motion to withdraw on April 30, 2019. After Six4Three failed to secure substitute counsel in a timely manner, the Court ordered Six4Three to "to retain counsel so that you can defend against *any* actions that may be pursued by Facebook." Hr'g Tr. at 8:8–10 (June 7, 2019) (emphasis added). The Court set a deadline of June 28, 2019 for the retention of counsel, and

directed Six4Three's sole member, Ted Kramer, to file a declaration no later than July 1, 2019 stating that Six4Three had retained counsel or attesting to Six4Three's efforts to do so. *See* Order re: Retention of Counsel by Plaintiff Six4Three, LLC (June 19, 2019). On July 1, Mr. Kramer filed a declaration stating that on June 28, he had "executed a retainer agreement with a law firm on behalf of Plaintiff Six4Three, LLC, *for representation of Plaintiff in the present matter.*" Kramer Decl. re: Order re: Retention of Counsel by Plaintiff Six4Three, LLC ¶ 2 (July 1, 2019) (emphasis added). The following day, Macdonald Fernandez LLP entered a notice of appearance and a notice of limited scope representation stating:

We will defend a motion for sanctions if brought by the defendants as contemplated in their recent case management conference statement, and we will appear at the case management conference set for July 19, 2019, if it goes forward. This engagement is strictly limited. If we agree to perform any other or further work, this notice will be amended.

See Notice of Limited Scope Representation (July 2, 2019). Facebook has not filed a motion for sanctions, and no other attorney has filed a notice of appearance on behalf of Six4Three.

III. ARGUMENT

A. Legal Standard

Civil Procedure Code section 170.6 imposes strict time requirements on peremptory challenges. See Civ. Proc. Code § 170.6(a)(2). Where a section 170.6 challenge is "directed to the trial of a civil cause that has been assigned to a judge for all purposes, the motion shall be made to the assigned judge or to the presiding judge by a party within 15 days after notice of the all purpose assignment" Id. (emphases added).

A judge may not waive the untimeliness of a peremptory challenge, and an untimely challenge must be denied. *See Briggs v. Superior Court*, 87 Cal. App. 4th 312, 318 (2001) ("We are aware of no authority that a trial judge may 'waive' the untimeliness of a section 170.6 affidavit."). Indeed, because section 170.6 presents the potential for abuse and judge-shopping, "the courts are vigilant in enforcing the statutory restrictions on the number and timing of the motions permitted." Michael Paul Thomas, *Cal. Civ. Courtroom Handbook*, Peremptory Disqualification of Judge § 14.4 practice note (2019 ed.) (quoting *Peracchi v. Superior Court*, 30 Cal. 4th 1245, 1251–1253 (2003) ("We cannot permit a device

intended for spare and protective use to be converted into a weapon of offense and thereby to become an obstruction to efficient judicial administration.")).

B. Macdonald Fernandez's Peremptory Challenge Is Untimely Because This Case Is Singly Assigned for All Purposes.

Civil Procedure Code section 170.6 is clear: Where a civil action is singly assigned for all purposes, a peremptory challenge must be brought "within 15 days after notice of the all purpose assignment." Civ. Proc. Code § 170.6(a)(2). There is no exception to this requirement that permits an attorney making a new appearance to challenge the all purpose assignment 18 months after it occurs. Here, this case was singly assigned to Judge Swope for all purposes on January 29, 2018. *See* Order Reassigning Judge for All Purposes (Jan. 29, 2018). That order expressly stated that the case was reassigned "*for all purposes* to the Honorable V. Raymond Swope in Department 23." *Id.* at 2 (emphasis added). Six4Three did not timely challenge that assignment and so waived its statutory right to do so. On this basis alone, the challenge should be rejected.

Macdonald Fernandez's peremptory challenge is plainly untimely and the firm's arguments to the contrary fail. The relevant provision of section 170.6(a)(2) states:

If directed to the trial of a civil cause that has been assigned to a judge for all purposes, the motion shall be made to the assigned judge or to the presiding judge by a party within 15 days after notice of the all purpose assignment, or if the party has not yet appeared in the action, then within 15 days after the appearance.

Civ. Proc. Code § 170.6(a)(2). According to Macdonald Fernandez, because that provision references only a "party" and not an "attorney," it has no application for attorneys at all. The more natural reading of the statute is that a party must move within 15 days of assignment. Full stop. This reading is also the only reasonable or logical reading of the code.

Indeed, Macdonald Fernandez's reading of this provision would generate absurd results. *First*, the reading would eviscerate the policy behind limiting peremptory challenges to a specific timeframe. If an attorney for a party in a case that has been singly assigned for all purposes is not bound by this provision, then there is *no* restriction on their ability to file the challenge. In other words, an attorney in a singly assigned case, according to Macdonald Fernandez, can file a Section 170.6 challenge at any

point (prior to the drawing of the name of the first juror at trial), regardless of when the case was assigned or when they make an appearance.

Second, Macdonald Fernandez's reading would promote judge-shopping. California's Supreme Court has rejected that result. In *Pappa v. Superior Court*, 54 Cal. 2d 350, 355 (1960), one codefendant peremptorily challenged a judge. Later, the other codefendant sought to do so and the Court rejected that attempt, noting that separate representation was no exception to section 170.6's "one motion to each 'side' policy":

Nor does the fact that an attorney may exercise the privilege under section 170.6 mean that the limitation of one motion to each "side" may be ignored.... Otherwise, a party who exercised a challenge could continue to obtain disqualifications endlessly by the simple expedient of changing attorneys.

Id. at 355–56 (emphasis added). For this reason, California's Rutter Guide teaches that "[a]lthough the Code states 'any attorney' may make a § 170.6 challenge, change of counsel does not create the right to exercise an additional challenge." See William E. Wegner, et al., Cal. Practice Guide – Civil Trials and Evidence § 3:176 (The Rutter Group 2018 ed.) (emphasis added).

Unsurprisingly, Macdonald Fernandez gives no authority endorsing its interpretation of Civil Procedure Code section 170.6(a)(2). There is none. To the contrary, California's appellate courts recognize, "[t]he right to a peremptory challenge *is subject to various conditions which have no stated exception for a late appearing counsel*." *People v. Superior Court (Smith)*, 190 Cal. App. 3d 427, 430 (1987) (emphasis added). This outcome is not unduly harsh, as a party may always rely on a challenge for cause where circumstances warrant. *See generally* Civ. Proc. Code § 170.1. But where a party or its lawyer seeks to invoke the limited statutory allowance of section 170.6, it must do so according to that section's strictures.

C. Macdonald Fernandez Lacks Standing to File This Peremptory Challenge Because Their Representation Is Illusory.

The Court should also reject Macdonald Fernandez's challenge because it is not clear that the firm represents Six4Three at present in this litigation. The terms of Macdonald Fernandez's limited-scope representation narrowly limit the firm's representation of Six4Three to an event that has not occurred. The firm's Notice of Limited Scope Representation states that Macdonald Fernandez "will

defend a motion for sanctions *if brought by the defendants*" and that the firm "will *appear* at the case management conference set for July 19, 2019, *if it goes forward*." Notice of Limited Scope Rep. at 1 (emphases added). But Defendants have not moved for sanctions. And Macdonald Fernandez's notice does *not* state that the firm will *represent* Six4Three at the July 19, 2019 conference, only that it will appear. *Id.* Because these conditions "strictly limit[]" Macdonald Fernandez's engagement, the firm has no apparent basis to represent Six4Three in this litigation. Accordingly, notwithstanding the firm's notice of appearance, it lacks standing to bring a Section 170.6 challenge. *See Avelar v. Superior Court*, 7 Cal. App. 4th 1270, 1274 n.4 (1992), *modified* (July 31, 1992) ("The provision that '[a]ny party to or attorney appearing in' a special proceeding may file a challenge cannot be reasonably construed to give a right to an attorney who appears for other than a party.") (alterations in original)).

D. Macdonald Fernandez's Declaration in Support of Its Peremptory Challenge Is Improper.

In addition to the timeliness and standing problems, the declaration submitted by Reno F.R.

Fernandez III is deficient. Even if Macdonald Fernandez is correct that they may make a peremptory challenge on their own behalf as newly appearing attorneys (they cannot), there is no dispute that Six4Three has waived its own right to file a challenge. As a textual matter, Civil Procedure Code section 170.6 provides a peremptory challenge to a party or attorney when that party or attorney swears that a court is prejudiced against that party or attorney. See Civ. Proc. Code § 170.6(a)(2). See Wegner, supra § 3:169 ("The only 'ground' that need be shown is that the party or attorney believes (a) the challenged judge is prejudiced against such party or attorney[.]") (emphases added and omitted). But Mr.

Fernandez's declaration includes multiple statements in the alternative, leaving ambiguous whether "he or she" believes that Judge Swope "is prejudiced against the party," Six4Three, "or his or her attorney," Macdonald Fernandez. Even under Macdonald Fernandez's misreading of section 170.6, the only relevant prejudice would necessarily be toward Macdonald Fernandez. If Macdonald Fernandez's challenge is based on an allegation of prejudice against the law firm, it must say so in a sworn declaration under penalty of perjury.

1	IV.	CONCLUSION	
2		Macdonald Fernandez's peremptory	ry challenge is untimely and otherwise unauthorized by section
3	170.6	and should be rejected.	
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5	Dated:	July 5, 2019	DURIE TANGRI LLP
6			By:
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PROOF OF SERVICE

I am employed in San Francisco County, State of California, in the office of a member of the bar of this Court, at whose direction the service was made. I am over the age of eighteen years, and not a party to the within action. My business address is 217 Leidesdorff Street, San Francisco, CA 94111.

On July 5, 2019, I served the following documents in the manner described below:

OBJECTION TO SIX4THREE'S COUNSEL'S SECTION 170.6 CHALLENGE

BY ELECTRONIC SERVICE: By electronically mailing a true and correct copy through Durie Tangri's electronic mail system from cortega@durietangri.com to the email addresses set forth below.

On the following part(ies) in this action:

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6	I declare under penalty of perjury under the laws of the United States of America that the
7	foregoing is true and correct. Executed on July 5, 2019, at San Francisco, California.
8	Chatragen
9	Christina Ortega
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